GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:111
ANSWERED ON:28.07.2015
Liquidation of Food Stock
Khan Shri Md. Badariddoza;Vellaigounder Shri Elumalai

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the time and quantity limits prescribed by the Government for retention of foodgrain stocks by the Food Corporation of India (FCI) including the stocks held by FCI during each of the last three years and the current year;

(b) whether the Government/FCI has any policy to liquidate surplus foodstocks and if so, the details thereof;

(c) whether the FCI proposes to dispose the wheat procured under relaxed specifications at the earliest irrespective of First-In First-Out (FIFO) policy, if so, the details thereof and if not, the reasons therefor;

(d) whether nearly 90% of said wheat stock has a shorter shelf life and ought to be used within 8 to 10 months; and

(e) if so, the details thereof and the steps taken by the Government to release/liquidate this huge stock?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

(a) to (e): A Statement is laid on the Table of the House.
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STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE STARRED QUESTION NO. *111 DUE FOR ANSWER ON 28.07.2015 IN THE LOK SABHA

(a): Quantity of wheat and rice prescribed to be maintained under central pool at the beginning of each quarter of a year as per current stocking norms is given in Annexure-I. Details of Wheat and Rice available in central pool and stocking norms for last three year and current year are given in Annexure –II.

(b): Yes Madam. The Government has issued guidelines for sale of food grains under Open Market Sale Scheme (OMSS) during 2015-16. Accordingly, Food Corporation of India (FCI) sells stock of wheat available under Central Pool over and above stocking norms to State Government(s)/Bulk Consumers/Private Traders through e-auctions from its depots located in various States.

In the State of Punjab, Haryana and Madhya Pradesh, the reserve price of wheat has been kept at Rs. 1550/- per quintal. For depots of FCI located outside Punjab, Haryana and Madhya Pradesh, the reserve price of wheat is Rs. 1550/- per quintal plus railway freight from Ludhiana to the nearest railhead and road transportation cost from such railhead to the depot from which the sale is to effected. The minimum and maximum quantity of wheat that a bulk consumers/trader can bid in an e-auction conducted by a Region for a State/UT is 100 MT and 3500 MT respectively. The limit for States per e-auction has been fixed at 100 MT to 40000 MT.

(c): Yes Madam. Government has issued direction that under relax specification (URS) wheat stock is to be issued on over-riding priority irrespective of FIFO (Fist In First Out) Principle for distribution under the Targeted Public Distribution System (TPDS) and other welfare schemes. The surplus URS wheat stock over and above stocking norms is also to be sold in the open market on over-riding priority though e-auctions. For distribution of food grains to States / UTs, there is a well defined procedure of joint inspection/sampling of the stock by the State Government authority and Food Corporation of India (FCI) ensures that only good quality food grains conforming to Food Safety Standards are issued under Targeted Public Distribution System (TPDS) and other welfare schemes.

(d) & (e): Details of URS wheat procured and total wheat procured in Rabi Marketing Season (RMS) 2015-16 are given in Annexure –III.

There is no report restricting the storage period of luster lost wheat or relaxed wheat. The wheat stocks procured under relaxed specifications in luster loss and shriveled & broken grains are as good and nutritive as sound grains for human consumption. However, storability of the relaxed wheat may be affected during longer storage, if proper scientific code of particles is not followed as compared to the sound grains. Therefore, the Food Corporation of India has been asked to issue the wheat procured under relaxed specifications on overriding priority.
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